

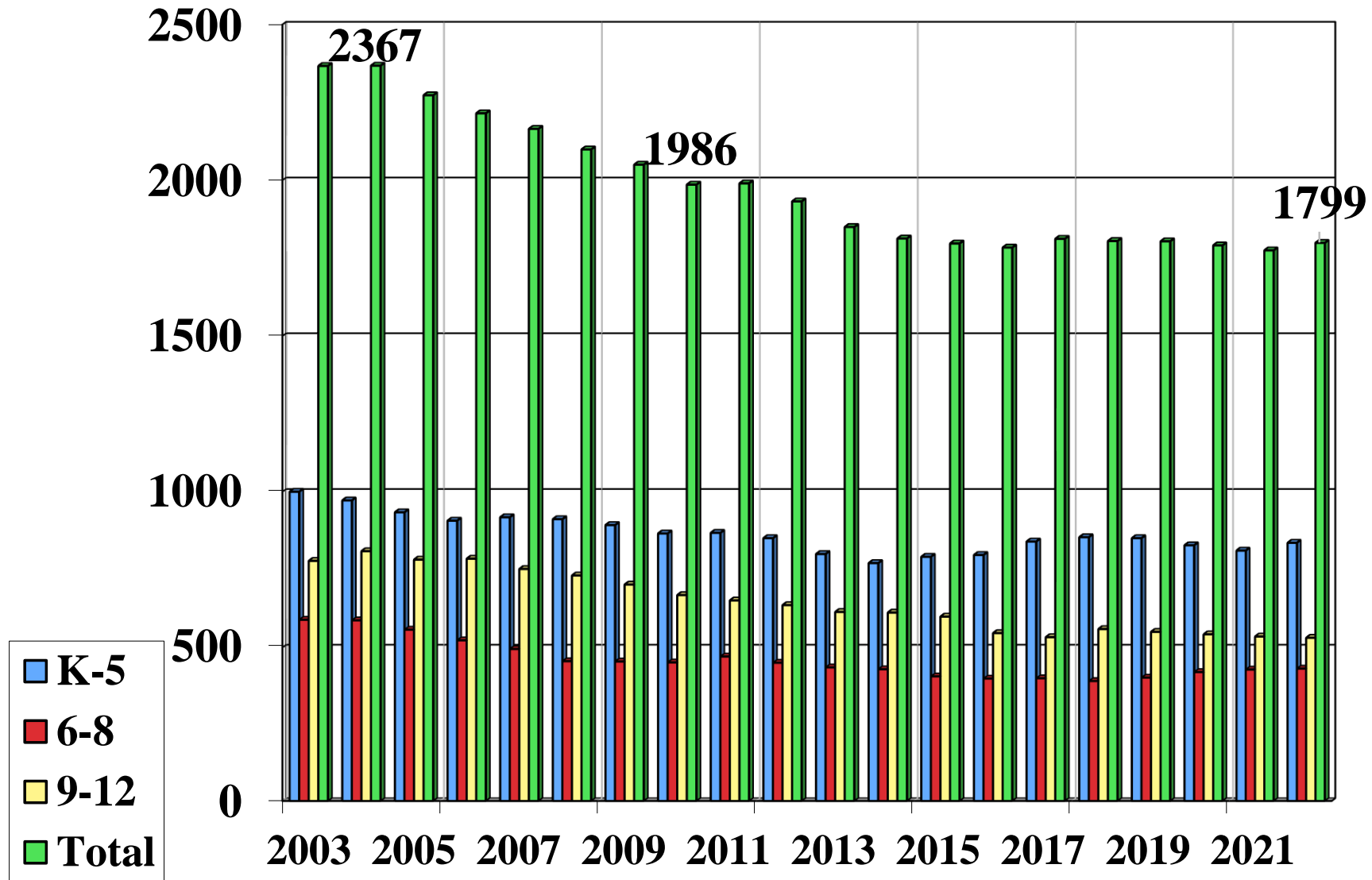
2022 – 2023 Budget Development

Depew Union Free School District

Budget Reductions Since 2010

School Year	Reductions	Enrollment
2010-2011	<i>\$2,018,287</i>	<i>1986</i>
2011-2012	<i>\$1,468,541</i>	<i>1990</i>
2012-2013	<i>\$603,876</i>	<i>1932</i>
2013-2014	<i>\$584,748</i>	<i>1850</i>
2014-2015	<i>\$1,003,668</i>	<i>1813</i>
2015-2016	<i>\$530,376</i>	<i>1797</i>
2016-2017	<i>\$114,758</i>	<i>1803</i>
2017-2018	<i>\$0.00</i>	<i>1812</i>
2018-2019	<i>\$536,402</i>	<i>1805</i>
2019-2020	<i>\$939,700</i>	<i>1804</i>
2020-2021	<i>\$1,084,390</i>	<i>1791</i>
2021-2022	<i>\$755,420</i>	<i>1775</i>
Total	<i>\$9,640,166</i>	

Enrollment:



2022 – 2023 Budget Plan

Major Budget Increases In the Proposed 2022-2023 Budget Plan

(Expenditures For Which There is Minimal or No District Control)

Item	Dollar Amount Increase	Percent Increase
Teachers' Retirement System (TRS)	\$132,479	7.78%
Employees' Retirement System (ERS)	\$5,717	0.60%
Health Insurance (Verified 02/2022)	\$229,059	4.45%
Negotiated Salaries	\$1,075,468	4.87%
Total Increase	\$1,442,723	4.83%

Advocacy Landscape for 2022-2023

A Sustainability Agenda:

- State Aid:** The governor reaffirmed her commitment to fully fund Foundation Aid by 2023-24 in her State of the State address with proposing the highest ever investment in NYS Education of \$31 billion.
- Tax Cap:** Amend the formula to support multi-year planning (Allowing for more exemptions).
- Mandate Relief:** “Maximizing Resources” to benefit students.
- Fund Balance:** The legislature should increase the unrestricted fund balance limit for school districts from 4% to 8%. Municipalities have no limit.
- Capital Outlay Projects:** Increase the limit to a minimum of \$250,000 adjusted by the Building Aid Regional Cost Factor up to a maximum of \$500,000.

2022 – 2023 Budget Plan

Major Budget Changes In the Proposed 2022-2023 Budget Plan

(Revenue For Which There is Minimal or No District Control)

Item	Change in Dollar Amount	Percent Difference
NYS State Aid	\$1,042,030	4.91%
Tax Levy	\$412,895	2.17%
Fund Balance(compared use to current year)	\$325,000	8.13%
Reserves(compared use to current year)	\$234,762	32.91%
Total Increase	\$2,014,687	4.48%

Tax Levy

Tax Levy Cap

- Allowable Levy Growth Factor = the lessor of 2% or the inflationary change using the CPI-U – 4.7% (Actual as of 2/1/22). Therefore, the base is 2.00% before exemptions.
- There is a formula to determine each District's Cap.

2021-2022 Tax Levy	\$19,036,522	
Tax Base Growth Factor:	X1.0028	Office of Real Property Tax Services
Tax Base Growth Amount:	+53,302	
2021-2022 PILOTS	+182,557	6 PILOTS
2021-2022 Capital Expense within Local Budget	-\$165,288	Per OSC
Adjusted Current Year Levy	\$19,107,093	
Allowable Levy Growth Factor:	X2.00%	CPI or 2% Max
EST. 2022-2023 PILOTS	-\$115,714	Projected 6 properties
Eligible carry over from prior year	\$75,896	
Tax Levy before Adjustments/Exemptions	\$19,449,417	\$412,894 / 2.17%

Tax Levy Cap

- Under the law, a District can utilize specific exemptions toward the Tax Levy Cap.
- Depew can not utilize ERS/TRS Pension or Judgments.

Levy Limit BEFORE Exemptions	\$19,449,417	\$412,894 / 2.17%
2022-2023 Pension (ERS) > 2%	+ \$0.00	ACTUAL
2022-2023 Pension (TRS) > 2%	+ \$0.00	ACTUAL
2022-2023 Capital Expense within Local Budget	+ \$0.00	ACTUAL
2022-2023 Torts/Judgments > 5%	+ \$0.00	ACTUAL
Total Levy Cap Exclusions	\$0.00	ACTUAL
2022-2023 Total Tax Levy with Exemptions	\$19,449,417	ACTUAL
2022-2023 Allowable Tax Impact Increase	\$412,895	ACTUAL
2022-2023 Proposed Tax Levy Increase	2.17%	\$412,895

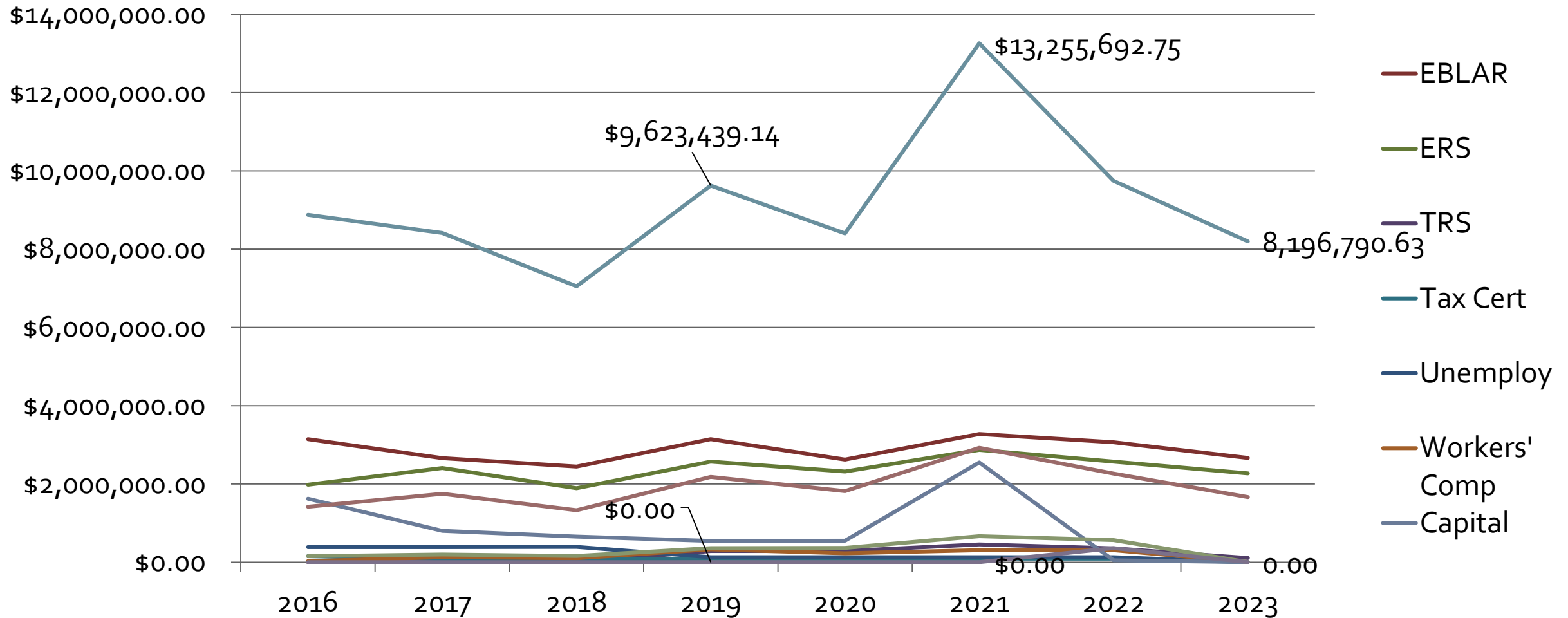
Why not recommend to go above the Tax Levy Cap?

- Climate to go above the cap proves to be a high risk with very few districts being successful in going over the tax levy cap.
- Depew's Combined Wealth Ration (CWR) is approximately **.645**, which is the 7th lowest out of 23 Erie County School Districts.
- Depew's three year average for Free and Reduced Lunch Percentage for Kindergarten through 6th grade is approximately **46%**, which is ranked 6th highest in Erie County.

Use of Reserves

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Employee Benefit Accrued Liability Reserve	\$2,442,134.57	\$3,141,592.70	\$2,623,547.68	\$3,276,777.53	\$3,064,075.28	\$398,042.00
ERS Reserve	\$1,888,796.19	\$2,568,957.74	\$2,316,884.33	\$2,867,918.08	\$2,568,423.72	\$300,000.00
TRS Reserve	\$0.00	\$285,000.00	\$286,601.48	\$455,723.42	\$355,803.77	\$250,000.00
Tax Certiorari Reserve	\$86,632.11	\$87,735.53	\$88,324.77	\$88,366.75	\$88,382.34	\$0.00
Unemployment Reserve	\$388,332.84	\$127,750.81	\$128,608.79	\$128,669.89	\$128,692.58	\$0.00
Workers' Comp Reserve	\$100,884.00	\$327,729.98	\$229,525.01	\$304,623.14	\$304,676.82	\$0.00
Capital Improvement Reserve 2016	\$651,644.33	\$542,831.97	\$546,477.69	\$2,546,738.98	\$47,185.96	\$0.00
Capital Reserve for Vehicles & Equipment 2016	\$1,329,680.15	\$2,181,311.88	\$1,815,776.67	\$2,923,752.38	\$2,261,672.78	\$596,768.00
Repair Reserve	\$158,238.19	\$360,528.53	\$362,949.88	\$663,122.58	\$563,239.50	\$0.00
Health Reserve	\$0.00	\$0.00	\$0.00	\$0.00	\$359,447.88	\$0.00
Grand Total All Reserves at Year End	\$7,046,342.38	\$9,623,439.14	\$8,398,656.30	\$13,255,692.75	\$9,741,600.63	\$1,544,810.00

Use of Reserves



Thoughtexchange Budget Feedback:



What are your most important priorities when considering the 2022-2023 budget plan of the school district?



150

Participants



69

Thoughts



2,454






Ratings

Thoughtexchange Budget Feedback:



Which of the following best describes your role in the District?







%		Answer
46%	(66)	 Parent / Guardian
8%	(12)	 Student
4%	(6)	 Community Member
42%	(61)	 Staff Member

Thoughtexchange Budget Feedback:



Which school building do you most associate with? If you have children in multiple buildings, respond with your youngest child in mind.



%		Answer
48%	(69)	 Cayuga Heights Elementary School
18%	(26)	 Depew Middle School
34%	(49)	 Depew High School

Thoughtexchange Budget Feedback:



Top Three Key Thoughts:

Extra support for struggling students Number of students struggling has increased greatly with pandemic. Teachers & students both need support to reach the large number of struggling kids.

4.2 ★★★★★ (56 👤)
Ranked #1 of 69

Maintain Programs for students

4.2 ★★★★★ (29 👤)
Ranked #2 of 69

The support for the students. The students should have every resource available to them to ensure they receive a great education

4.1 ★★★★★ (57 👤)
Ranked #3 of 69

2022-2023 Budget Requests

Rank	Program	Amount	Faculty/Staff	Notes
<u>Prioritized Order</u>				
1	District Administered Pre-Kindergarten	\$110,053	4.0 FTE	This addition would allow the District to completely run it's own Pre-Kindergarten Program. The District would still benefit from annual allocation of \$184,000.
2	Through attrition, replacing classroom aides with Teaching Assistants	\$30,208	3.0 FTE	Continuing to follow the District-Wide plan to replace retiring classroom aides with certified teachers serving as Teaching Assistants in our Special Education Classrooms.
3	High School Equipment	\$15,500		Replacing Cafeteria Tables
4	Middle School Equipment	\$11,680		Replacing Classroom sets of desks and chairs
5	Transportation Upgrades	\$86,397		These upgrades would allow for our current software to be upgraded and expanded to provide for GPS capability
6	Athletics	\$23,040		Provide for strength and conditioning coaching for our student athletes, which will allow for a significant reduction in athletic injuries.
	TOTAL:	\$276,878	7.0 FTE	

Initial 2022-2023 Budget Gap

Draft Budget	Draft Revenues	Budget Shortfall
\$50,223,768	\$49,574,634	\$649,134

Rationale for Potential Reductions:

1. Protect Programming for Students
2. Protect Reasonable Class Size and at the same time adhere to Contractual Limits
3. Maximize District Resources and Efficiencies
4. Review and Evaluate Needs versus Wants
5. Review and Evaluate Budgeting and Spending 3 Year Trends

To Fill The Gap...

1. Identify the amount of proposed and final state aid, along with the Federal Stimulus.
2. Then reduce the amount of new budget requests, in a reverse prioritized order.
3. Then, if needed, implement further budget reductions within the current budget in a prioritized order.
4. Or, reduce a combination of both lists.
5. If, we receive more State Aid after the State finalizes their budget, we will replace any reductions/requests in a prioritized order/use less fund balance.

Reduction of Budget Expenditures / Changes in Revenue

Rank	Program	Cut Amount	Notes
1	Various Salary and Benefit Reductions and Retirement Breakage	\$319,694	Aligning Budgeted Amounts and Verified 22/23 Costs in the areas of Health Insurance, TRS and Breakage in Retirement
2	Special Education Out of District Placements	\$43,114	Decrease in out of district placements per the CSE
3	District-Wide Equipment	\$36,326	Reduction in District-wide needs and in relation to the current Capital Project
4	Adjustments to Workers' Comp and Unemployment Insurance	\$150,000	Aligned costs to need
5	Adjustment to Substitute Teaching	\$100,000	Aligned costs to need
	TOTAL:	\$649,134	

Current 2022-2023 Budget Gap

Proposed Budget	Revenues	Budget Shortfall
\$49,574,634	\$\$49,574,634	\$0.00

Vehicle Reserve

- On May 19, 2009 voters approved the establishment of a Vehicle Purchase Reserve Fund and again on December 13, 2016 the voters re-established this fund.
- Excess funds have been placed in this reserve for future purchases of school buses and equipment.
- This reserve fund allows the District to make bus or equipment purchases that do not affect the amount of the current budget proposal or the tax levy.
- The District also receives State Aid for bus purchases in the subsequent years. This aid continues to support the bus replacement program.

Bus Purchasing

Years	Bus Purchase	Total Aid	Interest Received
2017-2018	\$367,326	\$387,840	\$20,514
2018-2019	\$291,901	\$307,180	\$15,279
2019-2020	\$379,797	\$399,660	\$19,863
2020-2021	\$146,844	\$150,910	\$4,066
2021-2022	\$662,584	\$687,763	\$25,179 (Estimated)
2022-2023	\$596,768	\$619,445	\$22,677 (Estimated)
TOTAL	\$2,445,220	\$2,552,798	\$107,578

Bus Purchasing

Vehicle Purchase from Reserve Fund	\$596,768
66-Passenger Buses with Wi-Fi (with luggage compartments for sports equipment)	3
29-Passenger Bus with Wheelchair Lift and Wi-Fi	1
30-Passenger Bus with Wi-Fi	1
Surplused Vehicles <i>with over 366,249 miles</i>	5

Capital Outlay \$100,000 Projects

- In order to continue to address issues outlined in the Building Conditions Survey, in a responsible and sustained manner over a period of time, the District continues to utilize the benefit of the \$100,000 Capital Outlay Project Program, which began with the 2016-2017 budget year.
- A \$100,000 Capital Outlay Project is an opportunity to institute Capital improvement projects that cost no more than \$100,000 and are preferably covered under one trade (i.e. Architectural, Mechanical, Electrical, Plumbing or Civil). A district must show this expenditure in its annual budget plan and will then receive aid in the following aid year. A district may receive aid for a maximum of one such project in an aid year.
- As the district completes these projects on an annual basis, the aid begins to cover 80% of each project.

Capital Outlay \$100,000 Projects

Year	Cost	Aid	Total Cost
1	\$100,000	\$0.00	\$100,000
2	\$100,000	\$80,000	\$20,000
3	\$100,000	\$80,000	\$20,000
4	\$100,000	\$80,000	\$20,000
5	\$100,000	\$80,000	\$20,000
6	\$100,000	\$80,000	\$20,000
7	\$100,000	\$80,000	\$20,000
8	\$100,000	\$80,000	\$20,000
9	\$100,000	\$80,000	\$20,000
10	\$100,000	\$80,000	\$20,000
Total	\$1,000,000	\$720,000	\$280,000

Capital Outlay \$100,000 Projects

- Capital Outlay work being anticipated within the 2022-2023 Budget Plan will include, but not necessarily be limited to modest upgrades and improvements to:
 - Interior Door Replacement at Cayuga Heights Elementary.

Next Steps

- **April:**
 - Publicize the required legal notices
 - Board of Education adopts the Budget, Tax Levy Limit and Proposition Language for the May Vote
 - Prepare Board of Education resolution for the Capital Outlay project and SEQRA reporting
- **May:**
 - Public Hearing: Tuesday, May 10, 2022 at 6:30pm
 - Budget Vote: Tuesday, May 17, 2022 from Noon to 9:00pm in the High School Gymnasium

Questions
